

ASSUMPTION PARISH SCHOOL BOARD
NAPOLEONVILLE, LOUISIANA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-8-2006

TABLE OF CONTENTS

Independent Auditors' Report	<u>Page No.</u> 1-2
REQUIRED SUPPLEMENTARY INFORMATION – Part I	
Management's Discussion and Analysis	3-10
BASIC FINANCIAL STATEMENTS	
<u>Government-Wide Financial Statements (GWFS)</u>	
Statement of Net Assets	11
Statement of Activities	12
<u>Fund Financial Statements (FFS)</u>	
<u>Governmental Funds:</u>	
Balance Sheet	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	14
Statement of Revenues, Expenditures, and Changes in Fund Balances	15-16
Reconciliation of Governmental Funds - Statement of Revenues, Expenditures, And Changes in Fund Balances to the Statement of Activities	17
<u>Fiduciary Funds:</u>	
Statement of Fiduciary Net Assets	18
Notes to the Financial Statements	19-38
REQUIRED SUPPLEMENTARY INFORMATION – Part II	
Major Fund Descriptions	39
Budgetary Comparison Schedules:	
General Fund	40-41

TABLE OF CONTENTS

Other Supplemental Information:

Non-major Governmental Funds:

Non-major Fund Descriptions	42-45
Combining Balance Sheet	46-51
Combining Schedule of Revenues, Expenditures, and changes in Fund Balances	52-57
Schedule of Compensation Paid Board Members	58
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	59-60
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB A-133	61-62
Schedule of Expenditures of Federal Awards – For the year ended June 30, 2005	63-64
Schedule of Findings and Questioned Cost	65-71
Summary Schedule of Prior Audit Findings and Questioned Costs	72
Corrective Action Plan	73-74

Performance and Statistical Data:

Independent Auditor's Report on Applying Agreed- Upon Procedures	75-78
Description of Schedules	79-80
Prescribed Schedules	81-89



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INDEPENDENT AUDITORS' REPORT

The Members of the
Assumption Parish School Board
Napoleonville, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Assumption Parish School Board (the School Board), as of and for the year ended June 30, 2005, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2005, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 40 through 41 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The combining and individual nonmajor fund financial statements and performance and statistical data are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the School Board. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information included in the performance and statistical data have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Pootlitz & Netterville

December 5, 2005

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

As management of the Assumption Parish School Board (hereinafter, School Board), we offer readers of the School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2005.

Financial Highlights

- The assets of the school board exceeded its liabilities at the close of the most recent fiscal year by \$16,915,376 (net assets) as compared to \$14,910,538 in the prior year ended June 30, 2004. Of this amount, \$8,371,177 (unrestricted net assets) may be used to meet the School Board's ongoing obligations to citizens and creditors as compared to \$5,802,906 in the prior year ended June 30, 2004.
- Cash and cash equivalents increased by 56.18% in order to meet anticipated cash flow needs in the immediate future. Funds were not invested so that liquidity of funds would not be an issue.
- Investments decreased by 13.50% due to a decrease in market value, as well as, the need to convert some of the investments to cash in order to meet cash flow needs.
- Accounts payable decreased by 77.78% as compared to June 30, 2004. The contributing factor to this was the district's plan to curtail spending in the 04-05 fiscal year thereby allowing for more federal dollars to be available for expending in 05-06.
- The 61.35% increase in Deferred Revenues is attributable to receipt of state dollars for a one-time supplement, as well as, receipt of ad valorem taxes paid under protest for the 2004 tax assessments.
- As of the close of the current fiscal year, the School Board's governmental funds reported ending fund balances of \$9,687,331 as compared to \$7,211,732 in the prior year ended June 30, 2004. Of the total, approximately, \$1,907,886 is available for spending at the School Board's discretion (unreserved, undesignated fund balance) as compared to \$873,437 in the prior year ended June 30, 2004.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the General Fund was \$932,010 or 3.4% of the total General Fund expenditures as compared to \$76,307 or 0.3% of the total General Fund expenditures in the prior year ended June 30, 2004.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School Board's basic financial statements. These basic financial statements are composed of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to a private sector business.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

The *statement of net assets* presents information on all of the School Board's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., earned by unused sick leave).

Both the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (governmental activities). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services. The governmental activities of the School Board include regular and special educational programs, support services, administration, maintenance, student transportation, and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate a comparison between *governmental funds* and *governmental activities*.

The School Board maintains dozens of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, and the 1992 Debt Service Fund, both of which are considered to be *major funds*. The remaining funds are combined into a single, aggregated presentation under the label of *other governmental funds*, which contain all the non-major funds. Individual fund data for each of these non-major funds is provided in the form of *combining statements* in the required supplementary information section.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

The School Board adopts annual appropriated budgets for all funds except debt service funds. A budgetary comparison statement has been provided for all major funds with formally adopted budgets.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of outside parties such as students and other government agencies. *Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School Board programs. The two fiduciary funds of the School Board are the School Activity Fund, which contains monies belonging to the schools, their students, clubs or other activities, and Sales Tax Fund, which contains monies collected by the School Board for the School Board and other governmental agencies of Assumption Parish.*

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. Included therein are the combining statements referred to earlier in connection with non-major governmental funds. Also, under the label of *other supplementary information* data can be found on individual school activity funds, capital assets, and information required to be presented by state statute.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School Board, assets exceeded liabilities by \$16,915,376 at the close of the most recent fiscal year as compared to \$14,910,538 in the prior year ended June 30, 2004.

The largest portion of the School Board's net assets (\$8,544,199 or 50.5% of total net assets) reflects its investments in capital assets (e.g., land, buildings, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. Last year, this number represented \$9,107,632 or 61.1% of total net assets. The School Board uses these capital assets in the delivery of services to its students and citizens; consequently, these assets are *not* available for future spending. Although the School Board's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2005

STATEMENT OF NET ASSETS

	<u>2005</u>	<u>2004</u>	<u>% Change</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 7,428,695	\$ 4,756,610	56.18%
Investments	3,877,868	4,483,270	(13.50%)
Receivables	1,965,858	1,939,617	1.35%
Inventory	25,087	20,218	24.08%
Other assets	-	500	(100.00%)
Land, building , and equipment - net	<u>11,780,918</u>	<u>10,828,805</u>	<u>8.79%</u>
 TOTAL ASSETS	 <u>25,078,426</u>	 <u>22,029,020</u>	 <u>13.84%</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Salaries, payroll deductions, and withholdings payable	3,224,147	3,226,038	(0.06%)
Accounts payable	130,927	589,165	(77.78%)
Deferred revenues	321,822	199,453	61.35%
Compensated absences payable	1,316,154	1,408,826	(6.58%)
Long-term liabilities			
Due within one year	235,000	225,000	4.44%
Due in more than one year	<u>2,935,000</u>	<u>1,470,000</u>	<u>99.66%</u>
 TOTAL LIABILITIES	 <u>8,163,050</u>	 <u>7,118,482</u>	 <u>14.67%</u>

NET ASSETS

Invested in capital assets, net of related debt	8,544,199	9,107,632	(6.19%)
Unrestricted	<u>8,371,177</u>	<u>5,802,906</u>	<u>44.26%</u>
 TOTAL NET ASSETS	 <u>\$ 16,915,376</u>	 <u>\$ 14,910,538</u>	 <u>13.45%</u>

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2005

STATEMENT OF ACTIVITIES

	<u>2005</u>	<u>2004</u>	<u>% Change</u>
Revenues			
Program Revenues			
Charges for Services	\$ 366,622	\$ 375,947	(2.48%)
Operating Grants and Contributions	7,270,638	6,644,470	9.42%
Taxes			
Property Taxes	3,665,282	3,395,745	7.94%
Sales and Use Taxes	4,279,421	4,659,759	(8.16%)
Other Local Sources	587,998	350,931	67.55%
State Sources	<u>21,241,277</u>	<u>21,530,094</u>	<u>(1.34%)</u>
Total Revenues	<u>37,411,238</u>	<u>36,956,946</u>	<u>1.23%</u>
Expenses			
Instruction	22,522,579	23,361,806	(3.59%)
Support Services	9,218,192	11,335,686	(18.68%)
Non-Instructional Services	1,906,595	1,974,195	(3.42%)
Debt Service	119,886	86,605	38.43%
Capital Outlay	<u>1,639,148</u>	<u>262,196</u>	<u>525.16%</u>
Total Expenses	<u>35,406,400</u>	<u>37,020,488</u>	<u>(4.36%)</u>
Excess (Deficiency) of Revenues over Expenses	2,004,838	(63,542)	3255.14%
Beginning Net Assets	<u>14,910,538</u>	<u>14,974,080</u>	<u>(0.42%)</u>
Ending Net Assets	<u>\$16,915,376</u>	<u>\$14,910,538</u>	<u>13.45%</u>

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2005

General Fund Budgetary Highlights

The School Board did not amend the original budget during the year. The differences between the original/final budget and the actual expenditures were significant in the following areas with the reasons noted for each difference:

Local sources of revenues:

Ad valorem taxes increased due to an increase in taxable assessed values that was not originally anticipated in the numbers provided by the assessor's office.

Sales and use tax revenues increased in the oil and gas and related industries.

Rentals, leases, and royalties increased due to a portion of a 16th section land nominated for production later in the fiscal year.

State sources of revenues:

Restricted grants in aid decreased due to State funds not being spent timely as these grants are on a reimbursement basis

Federal sources of revenues:

Restricted grants in aid increased due to additional federal grants approved throughout the fiscal year.

Expenditures:

The main contributing factor for the overall decrease in expenditures is the reduction in force plan approved in the spring of 2004 with an effective date of June 30, 2004. Also several major projects that were budgeted in the 04-05 fiscal year either were not given notices to proceed by the Board or the projects were approved too late in the fiscal year for obligations to be recognized.

Capital Assets and Debt Administration

Capital Assets. The School Board's investment in capital assets as of June 30, 2005 amounts to \$11,780,918 (net of accumulated depreciation) as compared to \$10,828,805 in the prior year ended June 30, 2004. This investment includes land, buildings and improvements, furniture, machinery, and equipment and construction in progress. Capital assets increased by \$952,113 over last year as compared to \$136,967 in the prior year ended June 30, 2004. The net increase represents an 8.8% difference as compared to a 1.3% difference in the prior year ended June 30, 2004.

Governmental Activities

	<u>2005</u>	<u>2004</u>
Land	\$ 480,573	\$ 480,573
Buildings and Improvements	24,367,519	23,971,258
Furniture and Equipment	3,033,364	3,414,846
Construction in Progress	1,279,256	463,195
Less Accumulated Depreciation	(17,379,794)	(17,501,067)
Total, net of depreciation	<u>\$ 11,780,918</u>	<u>\$ 10,828,805</u>

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2005

There has been much discussion by the current Board, as well as, past Boards regarding the construction of a new school site in the Bayou L'Ourse community. The Board did approve the purchase of portable buildings for installation at this site at a cost of approximately \$575,000. This capital project was completed in mid-August 2005 with school being delayed less than a week at this location.

The Board has approved a performance contract with Siemens Building Technologies for the purpose of lighting and plumbing retrofits, and boiler replacements. This contract equals to approximately \$1.9 million. This contract was approved in October 2004.

The Board is currently advertising for bids for a sprinkler/fire alarm/smoke detector system in order to be in compliance with Department of Public Safety – Fire Marshal's office citations. The estimated cost for this project is \$150,000.

Long-term debt. At the end of the current fiscal year, the School Board had bonded debt outstanding of \$3,170,000 as compared to 1,695,000 in the prior year ended June 30, 2004, an increase of 87%. This increase is due to the issuance of new debt. During the year ended June 30, 2005, the School Board issued \$1.7 million in certificates of indebtedness. These certificates were issued as a result of the approval of the performance contract with Siemens Building Technologies.

The bonded debt outstanding is from three outstanding bond issues. During the year, bond principal of \$225,000 was paid, as was interest in the amount of \$79,340. In the prior year, bond principal of \$205,000 was paid, as was interest in the amount of \$90,045.

Economic Factors and Next Year's Budget

The Assumption Parish School Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Recommendations were made to and approved by the Board to maintain property tax rates at the current rate.
- Sales tax revenues estimates were based upon the budget figure for the 04-05 year as there has been little or no increase in economic development in this area.
- As a result of retirement and health insurance benefits increases, the Board implemented a reduction in force to be effective with the beginning of the fiscal year. This reduction in force resulted in 37 employees being laid off. The savings generated from this reduction in force equaled to \$1,000,000 approximately.
- The employer contributions rates for the retirement systems to which the employees belong to increased as follows:

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2005

Assumption Parish School Board 2005-2006 Budget factors
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	2005-2006 rates		2004-2005 rates
Teachers' retirement system	15.9%		15.5%
School employees' retirement system	18.4%		14.8%
State employees' retirement system	19.1%		17.8%
Health insurance	34%		12%

Due to the impact of Hurricanes Katrina and Rita, the Board has experienced an increase in student population. As of the date of the financial statement the number of displaced students was approximately 175. Without the influx of these students, the Board would have experienced a decrease in student enrollment of approximately 100 students.

Contacting the Assumption Parish School Board's Management

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Malissa Boudreaux, Director of Business Services, P.O. Box B, Napoleonville, LA 70390.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

STATEMENT OF NET ASSETS

JUNE 30, 2005

	<u>2005</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 7,428,695
Investments	3,877,868
Receivables	1,965,858
Inventory	25,087
Land, building , and equipment - net	<u>11,780,918</u>
TOTAL ASSETS	<u>25,078,426</u>
<u>LIABILITIES AND NET ASSETS</u>	
<u>LIABILITIES</u>	
Salaries, payroll deductions, and withholdings payable	3,224,147
Accounts payable	130,927
Deferred revenues	321,822
Compensated absences payable	1,316,154
Long-term liabilities	
Due within one year	235,000
Due in more than one year	<u>2,935,000</u>
TOTAL LIABILITIES	<u>8,163,050</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	8,544,199
Unrestricted	<u>8,371,177</u>
TOTAL NET ASSETS	<u>\$ 16,915,376</u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

STATEMENT OF ACTIVITIES **FOR THE YEAR ENDED JUNE 30, 2005**

		<u>Program Revenues</u>		Net (Expense)
				Revenue and
				Changes in Net
				Assets
				Governmental
				Unit
<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	
		<u>Services</u>	<u>Grants and</u>	
			<u>Contributions</u>	
Instruction:				
Regular education programs	\$ 11,956,136	\$ -	\$ -	\$ (11,956,136)
Special education programs	9,704,594	-	4,503,837	(5,200,757)
Other education programs	861,849	-	-	(861,849)
Support Services:				
Pupil support services	1,056,046	-	54,027	(1,002,019)
Instructional staff services	654,558	-	133,700	(520,858)
General administration services	1,034,442	-	41,744	(992,698)
School administration services	2,061,631	-	-	(2,061,631)
Business services	354,462	-	-	(354,462)
Plant operation and maintenance	1,623,481	-	9,671	(1,613,810)
Student transportation services	1,780,925	-	-	(1,780,925)
Central services	652,647	-	-	(652,647)
Non-Instructional Services:				
Food service	1,896,595	366,622	1,260,562	(269,411)
Community service programs	10,000	-	-	(10,000)
Debt Service:				
Interest and bank charges	119,886	-	-	(119,886)
Capital outlay	1,639,148	-	1,267,097	(372,051)
Total Governmental Activities	35,406,400	366,622	7,270,638	(27,769,140)
Local sources				
Taxes:				
Ad valorem				3,665,282
Sales and use taxes				4,279,421
Other				587,998
State sources				
Unrestricted grants-in-aid				20,480,803
Restricted grants-in-aid				760,474
Total general revenues and special items				29,773,978
Excess of revenues over expenses				2,004,838
Net Assets - July 1, 2004				14,910,538
Net Assets - June 30, 2005				<u>\$ 16,915,376</u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD**Napoleonville, Louisiana****GOVERNMENTAL FUNDS****BALANCE SHEET****JUNE 30, 2005**

	General	1992 Debt Service	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 5,013,501	\$ 592,165	\$ 1,823,029	\$ 7,428,695
Investments	3,056,839	821,029	-	3,877,868
Receivables	583,659	65,912	1,316,287	1,965,858
Due from other funds	1,157,722	-	107	1,157,829
Inventory	-	-	25,087	25,087
TOTAL ASSETS	<u>\$ 9,811,721</u>	<u>\$ 1,479,106</u>	<u>\$ 3,164,510</u>	<u>\$ 14,455,337</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Salaries, payroll deductions, and withholdings payable	\$ 2,770,366	\$ 930	\$ 452,851	\$ 3,224,147
Accounts payable	331,221	1,304	53,505	386,030
Due to other funds	-	389,200	768,629	1,157,829
TOTAL LIABILITIES	<u>3,101,587</u>	<u>391,434</u>	<u>1,274,985</u>	<u>4,768,006</u>
Fund balances:				
Reserved for inventory	-	-	25,087	25,087
Reserved for debt service	-	1,087,672	494,672	1,582,344
Designated for operations	3,100,218	-	-	3,100,218
Designated for capital expenditures	1,500,000	-	393,890	1,893,890
Designated for internal purposes	1,030,000	-	-	1,030,000
Designated for education excellence	147,906	-	-	147,906
Unreserved, undesignated	932,010	-	975,876	1,907,886
TOTAL FUND BALANCES	<u>6,710,134</u>	<u>1,087,672</u>	<u>1,889,525</u>	<u>9,687,331</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,811,721</u>	<u>\$ 1,479,106</u>	<u>\$ 3,164,510</u>	<u>\$ 14,455,337</u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2005

Total fund balances - governmental funds		\$ 9,687,331
Cost of capital assets at June 30, 2005	29,160,712	
Less: accumulated depreciation as of June 30, 2005	<u>(17,379,794)</u>	11,780,918
Elimination of interfund assets and liabilities		
Due from other funds	1,157,829	
Due to other funds	<u>(1,157,829)</u>	-
Long-term liabilities at June 30, 2005		
Certificates of indebtedness	(3,170,000)	
Accrued interest payable	(66,719)	
Compensated absences payable	<u>(1,316,154)</u>	<u>(4,552,873)</u>
Total net assets at June 30, 2005 - governmental activities		<u>\$ 16,915,376</u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2005

	Governmental Fund Types			Total
	General	1992 Debt Service	Other Governmental Funds	
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 3,365,099	\$ -	\$ 300,183	\$ 3,665,282
Sales and use	3,423,547	855,874	-	4,279,421
Rentals, leases, and royalties	18,852	-	-	18,852
Food sales	-	-	366,622	366,622
Earnings on investments	258,254	51,769	23,371	333,394
Other	230,967	-	4,785	235,752
State sources:				
Unrestricted grants-in-aid	20,373,688	-	107,115	20,480,803
Restricted grants-in-aid	733,694	-	26,780	760,474
Federal sources:				
Restricted grants-in-aid - direct	98,485	-	-	98,485
Restricted grants-in-aid - subgrants	-	-	7,067,722	7,067,722
Commodities - United States Department of Agriculture	-	-	104,431	104,431
Total revenues	<u>28,502,586</u>	<u>907,643</u>	<u>8,001,009</u>	<u>37,411,238</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	11,725,246	-	-	11,725,246
Special education programs	4,461,106	-	5,243,488	9,704,594
Other education programs	861,849	-	-	861,849
Support services:				
Pupil support services	993,146	-	62,900	1,056,046
Instructional staff services	498,901	-	155,657	654,558
General administration services	972,666	13,176	48,600	1,034,442
School administration services	2,061,631	-	-	2,061,631
Business and central services	354,462	-	-	354,462
Plant operation and maintenance	2,357,492	426,272	11,259	2,795,023
Transportation	1,890,910	-	-	1,890,910
Central services	652,647	-	-	652,647

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2005

	Governmental Fund Types			Total
	General	1992 Debt Service	Other Governmental Funds	
Expenditures (continued):				
Non-instructional services:				
Food service	\$ 117,147	\$ -	\$ 1,773,596	\$ 1,890,743
Community service programs	10,000	-	-	10,000
Debt service:				
Principal retirement	-	45,000	180,000	225,000
Interest and bank charges	-	23,450	55,890	79,340
Capital outlay	163,960	-	1,475,188	1,639,148
Total expenditures	<u>27,121,163</u>	<u>507,898</u>	<u>9,006,578</u>	<u>36,635,639</u>
Excess (deficiency) of revenues over expenditures	<u>1,381,423</u>	<u>399,745</u>	<u>(1,005,569)</u>	<u>775,599</u>
Other financing sources (uses):				
Bond proceeds	-	-	1,700,000	1,700,000
Operating transfers out	(206,964)	(389,200)	(263,918)	(860,082)
Operating transfers in	653,118	-	206,964	860,082
Total other financing sources (uses)	<u>446,154</u>	<u>(389,200)</u>	<u>1,643,046</u>	<u>1,700,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>1,827,577</u>	<u>10,545</u>	<u>637,477</u>	<u>2,475,599</u>
Fund balances at beginning of year	<u>4,882,557</u>	<u>1,077,127</u>	<u>1,252,048</u>	<u>7,211,732</u>
Fund balances at end of year	<u>\$ 6,710,134</u>	<u>\$ 1,087,672</u>	<u>\$ 1,889,525</u>	<u>\$ 9,687,331</u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

Total net changes in fund balance - governmental funds		\$	2,475,599
Capital assets:			
Capital outlay capitalized	\$	1,905,070	
Loss on capital outlay disposals		(171,752)	
Depreciation expense for the year ended June 30, 2005		<u>(781,205)</u>	952,113
Long-term debt:			
Principal portion of debt service payments		225,000	
Bond proceeds received		(1,700,000)	
Excess of interest accrued over interest paid		(40,546)	
Excess of compensated absences used over amounts earned		<u>92,672</u>	<u>(1,422,874)</u>
Change in net assets - governmental activities			<u>\$</u> <u>2,004,838</u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2005

Assets

Cash and cash equivalents	<u>\$ 1,424,125</u>
Total assets	<u><u>\$ 1,424,125</u></u>

Liabilities

Deposits due others	<u>\$ 1,424,125</u>
Total liabilities	<u><u>\$ 1,424,125</u></u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies**

The accounting policies of the School Board conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic financial Statements – and Management's Discussion and Analysis – for State and local Governments*, issued June 1999. The following is a summary of the School Board's significant policies.

a. **Reporting Entity**

The Assumption Parish School Board (School Board) was created by Louisiana Revised Statute (LRS) 17:51 for the purpose of providing public education for the residents of Assumption Parish, Louisiana. The School Board is authorized by LRS 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is authorized to establish public schools as it deems necessary, to provide adequate school facilities for the children of the parish, to determine the number of teachers to be employed, and to determine local supplement to their salaries. The School Board is comprised of 9 members who are elected from 9 districts for a term of four years.

The School Board operates 10 schools within the parish with a total enrollment of approximately 4,132 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. Additionally, the School Board provides transportation and school food services for the students.

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no component units, defined by GASB Statement 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

b. **Basis of Presentation**

The School Board's *Basic Financial Statements* consist of the government-wide statements on all of the non-fiduciary activities and the fund financial statements (individual major fund and combined non-major fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies** (continued)

b. **Basis of Presentation** (continued)

Government-Wide Financial Statements

The government-wide financial statements include the statement of net assets and the statement of activities for all non-fiduciary activities. As a general rule, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are advances between fiduciary funds and the various functions of the School Board. The government-wide presentation focuses primarily on the sustainability of the School Board as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

All programs of the School Board are considered *Governmental Activities* which are normally supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues included in the Statement of Activities are derived from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements

The daily accounts and operations of the School Board continue to be organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in current assets.

The funds of the School Board are classified into two broad categories: Governmental and Fiduciary.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. Summary of Significant Accounting Policies (continued)

b. Basis of Presentation (continued)

Governmental Fund Types:

Governmental funds are those through which most governmental functions of the School Board are financed. The acquisition, use and balances of the School Board's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the School Board's governmental fund types:

General Fund - The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in other funds.

Special Revenue Funds - Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds account for the revenues and expenditures related to federal grant and entitlement programs established for various educational objectives.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction or improvement of major capital facilities.

Debt Service Fund - The Debt Service Funds, established to meet requirements of bond ordinances, are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs.

Fiduciary Fund Type:

Fiduciary funds are used to account for assets held by the School Board in a trustee or agency capacity. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

c. Basis of Accounting / Measurement Focus

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. These statements include all the financial activities of the School Board, except for the Fiduciary Fund. The Fiduciary Fund is only reported in the Statement of Net Fiduciary Assets at the Fund Financial Statement level.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies** (continued)

c. **Basis of Accounting / Measurement Focus** (continued)

The GWFS were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales taxes are recognized when the underlying sales transactions occur. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Program Revenues

Program revenues included in the Statement of Activities are derived directly from parties outside of the school board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

Allocation of Indirect Expenses

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable by function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Depreciation on the buildings is assigned to the general administration function due to the fact that school buildings serve multiple purposes. Interest on long term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Agency Fund type is accounted for on a flow of economic resources measurement focus (accrual basis). With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet.

Governmental Funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financial sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. Summary of Significant Accounting Policies (continued)

c. Basis of Accounting / Measurement Focus (continued)

The following paragraphs describe the revenue recognition practices under the modified accrual basis of accounting:

Revenues

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeits, and most governmental miscellaneous revenues, including investment earnings are recorded as earned since they are measurable and available. The Board definition of available means expected to be received within sixty days of the end of the fiscal year.

Non-exchange transactions, in which the Board receives value without directly giving value in return, include sales tax, property tax, special assessments, grants, entitlements, and donations. Property taxes are considered measurable in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales taxes and gross receipts business taxes are considered measurable when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Special Assessments are recognized as revenues only to the extent that individual installments are considered current assets in the governmental fund types. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

Expenditures

Salaries are recorded as expenditures when incurred. Nine-month employee salaries are incurred over a nine month period but paid over a twelve month period.

Compensated absences are recognized as expenditures when leave is actually taken or when employees (or heirs) are paid for accrued leave upon retirement or death.

Commitments under construction contracts are recognized as expenditures when earned by the contractor.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies** (continued)

c. **Basis of Accounting / Measurement Focus** (continued)

Principal and interest on general long-term debt are not recognized until due.

All other expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred if it is expected to be paid within the next twelve months. Liabilities which will not be liquidated with expendable available financial resources are not recorded in the funds.

d. **Budget Practices**

The proposed budgets were completed and made available for public inspection at the School Board office. A public hearing was held for suggestions and comments from taxpayers. The proposed budgets were formally adopted by the School Board after the public hearing. The funds for which budgets were prepared included proposed expenditures and the means of financing them, and were published in the official journal ten days prior to the public hearings.

The budgets for the General and Special Revenue Funds were prepared on the modified accrual basis of accounting. Formal budgetary integration is used during the year as a management control device. Any part of appropriations which is not expended is reappropriated in the next year. Current year transactions which are directly related to prior year's budget are reappropriated in the current year.

The School Board is authorized to transfer amounts between line items within any fund. When actual revenues within a fund are failing to meet estimated annual budgeted revenues by five percent or more, and/or actual expenditures within a fund are exceeding estimated budgeted expenditures by five percent or more, a budget amendment to reflect such changes is adopted by the School Board in an open meeting. Budgeted amounts included in the financial statements include the original adopted budget, with no subsequent amendments.

e. **Cash and Cash Equivalents**

Cash and cash equivalents include money market accounts and short-term investments, including investments in the Louisiana Asset Management Pool, as described below, with a maturity date within three months of the date of acquisition. Under state law, the Assumption Parish School Board may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool, Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasury and organized under the laws of the State of Louisiana, which operates a local government investment pool.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies** (continued)

f. **Investments**

The Assumption Parish School Board may also invest in bonds, debentures, and other indebtedness which are fully guaranteed by the United States, issued or guaranteed by federal agencies backed by full faith and credit of the United States and issued or guaranteed by United States instrumentalities which are federally sponsored. Investments are stated at fair value. Fair value was determined using quoted market prices.

Investment income includes interest earned, realized gains and losses, and unrealized gains and losses (changes in fair value).

g. **Federal Grants Receivable**

Federal grants receivable consists of receivables for reimbursement of expenditures under various federal programs and grants. All amounts are expected to be collected within the next twelve months.

h. **Inventory**

Inventory of the School Food Services Special Revenue Fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Education. The commodities are recorded as revenues and expenditures when consumed. All inventory items purchased are valued at the lower of cost (first-in, first-out) or market, and donated commodities are assigned values based on information provided by the United States Department of Agriculture.

i. **Capital Assets**

Capital assets are capitalized at historical cost, or estimated historical cost for assets where the actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of the donation. The system for the accumulation of fixed asset cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the School Board, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 5 to 15 years for equipment, 10 to 20 years for building and land improvements, and 40 years for buildings.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies** (continued)

j. **Compensated Absences**

All 12-month employees earn from 5 to 15 days of vacation leave each year, depending on length of service with the School Board. Up to 5 days of vacation leave may be carried forward to the next calendar year. Upon death or retirement, unused annual leave is paid to the employee or designated heir at the employee's current rate of pay.

All school board employees earn 10 days of sick leave each year. Sick leave can be accumulated without limitation. Upon death or retirement, a maximum of 25 days of unused sick leave is paid to the employee or designated heir at the employee's current rate of pay. Under the Louisiana Teacher's Retirement System, the unused sick leave is used in the retirement benefit computation as earned service. Under the Louisiana School Employees Retirement System, all unpaid sick leave, which excludes the 25 days paid, is used in the retirement benefit computation as earned service. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service. Leave may be granted for rest and recuperation and professional and cultural improvement.

At June 30, 2005 and 2004, employees of the School Board have accumulated and vested compensated absence benefits of \$1,316,154 and \$1,408,826, respectively.

In Governmental Fund types, sick and vacation leave that has been claimed by employees as of the end of the fiscal year is recorded as an expenditure in the year claimed. Sick leave accrued as of the end of the fiscal year is valued using employees' current rates of pay. Accrued sick leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire.

k. **Sales, Use and Property Taxes**

The Assumption Parish School Board is authorized to collect a two and one-half percent sales and use tax within Assumption Parish. One percent of this sales and use tax, approved by the voters of the parish on April 24, 1965, is dedicated for the payment of teachers' salaries and/or for the operation of the public schools in Assumption Parish. The other one percent sales tax was approved by voters of the parish on November 28, 1981. The proceeds of this sales tax are to be used for the payment of salaries of teachers and other school employees, and for operation and maintenance and/or for capital improvements to the public schools of Assumption Parish. The one-half of one percent sales and use tax was approved by voters on May 1, 1999. The proceeds are to be used to pay the Tax Refunding Sales Tax Bonds, Series 1999, and after making all required bond payments, are to be used for providing additional funds for the acquisition, installation, maintenance, and operation of air conditioning systems in parish schools, including the payment of utility costs with any excess to be used for additional support for the schools in the parish.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies** (continued)

k. **Sales, Use and Property Taxes** (continued)

The School Board is also authorized to collect a two percent sales and use tax levied by the Assumption Parish Police Jury. In addition, the School Board is authorized to collect a one percent sales and use tax levied by the Village of Napoleonville. Both the Jury and the Village pay the School Board a fixed collection fee. The collection and distribution of the sales taxes are accounted for in the Sales Tax Agency Fund.

Ad valorem taxes are collected by the Assumption Parish Tax Collector's Office and remitted to the School Board on a monthly basis. Values are established by the Assumption Parish Assessor's Office each year based on 10% of the assessed market value of residential property and commercial land and on 15% of the assessed market value of commercial buildings, public utilities and personal property.

Ad valorem taxes are assessed and levied on a calendar year basis, based on the assessed value on January 1 of the assessment year. However, before taxes can be levied, the tax rolls must be submitted to the State Tax Commission for approval. Taxes are due and payable by November 15. An enforceable lien attaches on the property as of November 15. As of December 31, taxes become delinquent and interest and penalty accrue. Taxes are generally collected in January, February and March of the fiscal year.

l. **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities to the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

m. **Designations of Fund Equity**

Designation for Operations – The designation for operations is for the establishment and maintenance of an operating reserve 10% of the School Board's current operating budget. This is funded by setting aside a minimum of 50% of each year's surplus until the 10% level is reached. There was a \$375,636 addition for the year.

Designation for Capital Expenditures – The designation for capital expenditures is for the payment of major capital outlay projects. There was a \$187,778 reduction for the year.

Designation for Internal Purposes – The designation for internal purposes is for textbook purchases, compliance with Fire Marshall, self-insured retention purposes, and unemployment compensation claims. There was a \$1,030,000 addition for the year.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

1. **Summary of Significant Accounting Policies** (continued)

m. **Designations of Fund Equity** (continued)

Designation for Education Excellence – The designation for education excellence is for the spending of state funds in accordance with the plan submitted to the Department of Education. There was a \$147,906 addition for the year.

n. **Interfund Transactions / Balances**

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Cash not transferred at year end will result in an interfund balance.

o. **Risk Management**

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, business interruption, errors and omissions; employee injuries and illnesses, natural disasters; and employee health benefits. The School Board carries commercial insurance for all risks of loss.

2. **Equity in Pooled Cash and Deposits**

A. **Equity in Pooled Cash**

The School Board maintains a cash pool that is available for use by all funds. Positive book cash balances are displayed on the combined balance sheet as "Cash and cash equivalents." Negative book cash balances are included in "Due to Other Funds" on the combined balance sheet.

At June 30, 2005 the School Board had cash (book balances) totaling \$7,428,695. Included in cash and cash equivalents on the balance sheet at June 30, 2005, are the following:

	2005
Money market accounts	\$ 5,045,848
LAMP	2,382,847
Total cash	\$ <u>7,428,695</u>

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

2. **Equity in Pooled Cash and Deposits** (continued)

B. **Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the School System's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of June 30, 2005, the School Board's bank balance was \$7,264,999. Of this amount, \$29,382 was exposed to custodial credit risk by being uninsured and uncollateralized. It is the School Board's policy to either have deposits secured by federal deposit insurance or pledged by securities owed by the fiscal agent financial institution.

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts.

At June 30, 2005 and 2004, the School Board also had invested \$2,382,847 and \$2,335,222, respectively, in the Louisiana Asset Management Pool (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). In accordance with GASB Codification Section 150.126, the investment in LAMP as of June 30, 2005 and 2004 is not categorized in the three risk categories provided by GASB because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. Due to the short-term nature of the LAMP portfolio and the immediate access at par feature, investments in LAMP are considered cash equivalents by the School Board.

3. **Investments**

The School System adopted Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, during the fiscal year ended June 30, 2005. As of June 30, 2005, the Board had the following investments and maturities:

INVESTMENT MATURITIES (IN YEARS)

<u>Investment Type</u>	<u>Fair Value</u>	<u>1-5</u>	<u>6-10</u>	<u>11-15</u>
General Fund				
U.S. Agencies	\$ 3,056,839	\$ 2,281,479	\$ 706,205	\$ 69,155
Debt Service Fund				
U.S. Agencies	821,029	722,626	98,403	-
Total Investments	<u>\$ 3,877,868</u>	<u>\$ 3,004,105</u>	<u>\$ 804,608</u>	<u>\$ 69,155</u>

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

3. **Investments** (continued)

Interest Rate Risk- The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk- Under Louisiana R.S. 33:2955, as amended, the School System may invest in obligations of the U.S. Treasury, U.S. Agencies and instrumentalities, repurchase agreements, certificates of deposits, Louisiana Asset Management Pool (LAMP), and other investments as provided in the statute. The Board has no investment policy that would further limit its investment choices. As of June 30, 2005, the Board's investment in U.S. Agencies was rated AAA by Moody's Investors Service and AAA by Standard & Poor's.

Concentration of Credit Risk- The Board places no limit on the amount the Board may invest in any one issuer. More than 5 percent of the Board's investments are in Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, and Federal Farm Credit. These investments are 58.8%, 35.8% and 5.4%, respectively.

4. **Ad Valorem Taxes**

The following is a summary of authorized and levied parishwide ad valorem taxes for the fiscal year ended June 30, 2005:

	<u>Millage</u>
Constitutional	5.51
Maintenance and operating	6.11
Bond and interest	27.87
Special tax - operations	<u>3.60</u>
Total millage	<u>43.09</u>

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

5. Due From/To Other Funds

Individual balances due from/to other funds are as follows:

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund	\$ 1,157,722	\$ -
Special Revenue Funds:		
I Can	-	-
School Food Services	-	-
State School Improvement	-	4,294
Title I	-	248,615
Title VI	-	-
Title II	-	70,522
Title III	-	982
Title IV	-	3,495
Head Start	-	127,405
LEARN	-	-
Adult Education	-	5,288
Vocational Education	-	7,864
8 (g) Programs	-	-
Teaching American History	-	26,413
TANF Pre-GED	-	-
IDEA	-	105,966
Project First	-	12,116
Foreign Language Incentive Program	-	-
REAP	107	5,955
CSRP	-	28,371
McKinney Vento	-	2,913
School Renovations	-	-
Idea General Education Initiative	-	-
Reading First	-	105,836
IDEA Transition Assistance	-	7,927
LASIG	-	4,667
Debt Service Fund:		
'92 Debt Service Fund	-	389,200
Total	<u>\$ 1,157,829</u>	<u>\$ 1,157,829</u>

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2005

6. Capital Assets

Capital assets and depreciation activity as of and for the year ended June 30, 2005 is as follows:

	<u>Balance</u> <u>6/30/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/05</u>
Land	\$ 480,573	\$ -	\$ -	\$ 480,573
Buildings	19,280,974	-	168,000	19,112,974
Improvements	4,690,284	564,261	-	5,254,545
Construction in progress	463,195	1,495,106	679,045	1,279,256
Furniture and equipment	<u>3,414,846</u>	<u>409,964</u>	<u>791,446</u>	<u>3,033,364</u>
	28,329,872	2,469,331	1,638,491	29,160,712
Accumulated depreciation	(<u>17,501,067</u>)	(<u>781,205</u>)	(<u>902,478</u>)	(<u>17,379,794</u>)
Capital assets, net of depreciation	<u>\$ 10,828,805</u>	<u>\$ 1,688,126</u>	<u>\$ 736,013</u>	<u>\$ 11,780,918</u>

Depreciation expense of \$781,205 for the year ended June 30, 2005 was charged to the following governmental functions:

Plant operation and maintenance	\$ 302,266
Regular education programs	395,350
Pupil transportation	31,693
Food service expenditures	<u>51,896</u>
	<u>\$ 781,205</u>

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

7. General Long-term Obligations

The following is a summary of the changes in general long-term obligation transactions for the year ended June 30, 2005:

	<u>Bonds</u>	<u>Compensated Absences</u>	<u>Total</u>
Balance, June 30, 2004	\$ 1,695,000	\$ 1,408,826	\$ 3,103,826
Additions	1,700,000	18,811	1,718,811
Retirements	(225,000)	(111,483)	(336,483)
Balance, June 30, 2005	<u>\$ 3,170,000</u>	<u>\$ 1,316,154</u>	<u>\$ 4,486,154</u>

Compensated absences payable consists of the portion of accumulated sick and annual leave of the governmental funds that is not expected to require current resources.

A schedule of the bonds outstanding as of June 30, 2005 is as follows:

<u>Bond Issue</u>	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest To Maturity</u>	<u>Principal Outstanding</u>
School District No. 1 Refunding Bond: Series 1999	\$1,850,000	4.7% to 8.0%	9/01/09	<u>\$135,360</u>	<u>\$1,040,000</u>
Refunding Sales Tax Bonds District No. 1: Series 1999	\$620,000	4.2% to 5.4%	10/01/12	<u>\$ 97,615</u>	<u>\$430,000</u>
Certificates of Indebtedness: Series 2004	\$1,700,000	4.54%	10/01/20	<u>\$649,883</u>	<u>\$1,700,000</u>

The School Board accumulates the tax proceeds in the Debt Service Funds. At June 30, 2005, the School Board has accumulated \$1,582,344 in the debt service funds for future debt service requirements.

The School Board is in compliance with the requirements of its long-term debt agreements.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2005

7. General Long-term Obligations (continued)

The bonds are due as follows:

<u>Year Ending June 30</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2006	\$ 235,000	\$ 161,728	\$ 396,728
2007	274,000	121,833	395,833
2008	347,000	107,070	454,070
2009	365,000	90,206	455,206
2010	379,000	72,424	451,424
2011-2015	743,000	230,194	973,194
2016-2020	675,000	96,475	771,475
2021	152,000	2,928	154,928
	<u>\$ 3,170,000</u>	<u>\$ 882,858</u>	<u>\$ 4,052,858</u>

8. Defined Benefit Pension Plans

Plan Description - Substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems. Each system is administered and controlled at the State level by a separate board of trustees, with contribution rates and benefit provisions approved by the Louisiana Legislature. Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan B.

At any age, ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits under the Teachers' Retirement System plans. At age 60 or older, five years of service credit is required to become vested for retirement benefits and survivor benefits under the Teachers' Retirement System plans.

Ten years of service credit is required to become vested for retirement benefits and twenty years of service credit is required under the School Employees' Retirement System plan. There is no vesting period for employees to become eligible for disability benefits under this same plan.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

8. **Defined Benefit Pension Plans** (continued)

Each of the Systems issued an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing to or calling:

Teachers Retirement System - 8401 United Plaza Blvd.
P. O. Box 94123, Baton Rouge, Louisiana 70804-9123
(225) 925-6446

School Employees' Retirement System - 8660 United Plaza Blvd.
Baton Rouge, LA 70809
(225) 925-6484

Funding Policy - Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contributions rates in effect for the year ended June 30, 2005, for the School Board and covered employees were as follows:

	<u>School Board</u>			<u>Employees</u>		
	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Teachers' Retirement System:						
Regular Plan	15.5%	13.8%	13.1%	8.00%	8.00%	8.00%
Plan B	15.5%	13.8%	13.1%	5.00%	5.00%	5.00%
School Employees' Retirement System	14.8%	8.5%	-	7.50%	7.50%	7.50%

As provided by Louisiana Revised Statute 11:103, the School Board's contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The contribution requirements to the systems which substantially equaled the expenditures for each of these years were as follows:

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Teachers' Retirement System:			
Regular Plan	\$ 2,526,805	\$ 2,286,340	\$ 2,163,794
Plan B	\$ 87,017	\$ 78,730	\$ 73,434
School Employees' Retirement System	\$ 213,446	\$ 154,436	\$ -

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

9. Postretirement Benefits

The School Board, in accordance with State statutes, provides certain postretirement health care and life insurance benefits to its former employees. Substantially all of the School Board's employees may become eligible for such benefits based upon age and years of service. The health insurance premiums are paid jointly by the School Board and the retirees. For the year ended June 30, 2005, the School Board paid approximately 75% of the health insurance premiums for retired employees. The cost of retirement health care is recognized as an expenditure/expense as premiums are paid. For fiscal year 2005, the School Board's cost for providing all health care and life insurance benefits to the 524 active and 320 retired employees and their dependents amounted to \$3,808,712.

The School Board has a continuing future obligation for life insurance and health care benefits for retired teachers and noninstructional employees and their dependents. This future liability is not funded but will be payable by the General Fund out of future years' operations. Although actuarial consultants estimated that this future liability is significant, current generally accepted accounting principles do not require the School Board to reflect this liability in the general purpose financial statements.

10. Changes in Agency Deposits Due Others

A summary of changes in agency fund deposits due others are as follows:

	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance end of year</u>
Sales Tax Fund	\$ 995,556	\$ 7,718,552	(\$ 7,789,274)	\$ 924,834
School Activity Agency Fund	<u>428,942</u>	<u>1,558,953</u>	<u>(1,488,604)</u>	<u>499,291</u>
Total	<u>\$ 1,424,498</u>	<u>\$ 9,277,505</u>	<u>(\$ 9,277,878)</u>	<u>\$ 1,424,125</u>

11. Excess of Expenditures Over Appropriations in Individual Funds

The following funds had expenditures in excess of their budgets:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Reading First	\$ 1,509,139	\$ 1,400,000	\$ 109,139
Head Start	716,933	696,153	20,780
I Can	5,565	-	5,565
IDEA Transition Assistance	58,775	58,000	775
TANF	9,528	-	9,528

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

12. Litigation and Claims

The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Board's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

13. Commitments

As of June 30, 2005, the School Board was committed to construction contract agreements totaling \$2,598,954. Of this amount, \$1,279,256 was expended at June 30, 2005.

Leases that do not meet criteria for capitalization are classified as operating leases with related rentals charged to operations as incurred.

The following is a schedule by year of future minimum lease payments under these arrangements as of June 30, 2005, that have initial or remaining terms in excess of one year.

<u>Year Ending June 30</u>	<u>Minimum Payments</u>
2006	\$ 121,560
2007	121,560
2008	121,560
2009	10,130
2010	-
	<u>\$ 374,810</u>

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

14. Operating Transfers

<u>Fund</u>	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$ 653,118	\$ 206,964
Special Revenue Funds:		
I Can	-	4,848
School Food Services	206,964	-
Title I	-	85,059
Title II	-	16,117
Title IV	-	526
Title V	-	1,217
Adult Education	-	2,287
Title III	-	88
Teaching American History	-	17,063
REAP	-	8,774
IDEA	-	61,416
McKinney Vento	-	3,769
IDEA General Education Initiative	-	4,754
Reading First	-	50,553
IDEA Transition Assistance	-	3,899
LASIG	-	3,548
Debt Service Fund:		
'92 Debt Service Fund	-	389,200
Total	<u>\$ 860,082</u>	<u>\$ 860,082</u>

REQUIRED SUPPLEMENTARY INFORMATION

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

MAJOR FUND DESCRIPTIONS
JUNE 30, 2005

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the School Board which are not required legally or by sound financial management to be accounted for in another fund.

1992 DEBT SERVICE

The 1992 Debt Service Fund is used to accumulate funds for the payment of refunding general obligation bonds which are due in various annual installments.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2005

	Original and Final	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues:</u>			
Local sources:			
Taxes:			
Ad valorem	\$ 3,139,484	\$ 3,365,099	\$ 225,615
Sales and use	3,061,161	3,423,547	362,386
Rentals, leases, and royalties	15,500	18,852	3,352
Earnings on investments	250,000	258,254	8,254
Other	240,310	230,967	(9,343)
State sources:			
Unrestricted grants-in-aid	20,378,156	20,373,688	(4,468)
Restricted grants-in-aid	774,066	733,694	(40,372)
Federal sources:			
Restricted grants-in-aid - direct	46,560	98,485	51,925
Restricted grants-in-aid - subgrants	-	-	-
Total revenues	<u>27,905,237</u>	<u>28,502,586</u>	<u>597,349</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular education programs	11,854,941	11,725,246	129,695
Special education programs	5,332,966	4,461,106	871,860
Other education programs	916,097	861,849	54,248
Support services:			
Pupil support services	1,089,949	993,146	96,803
Instructional staff services	496,633	498,901	(2,268)
General administration services	1,177,505	972,666	204,839
School administration services	2,199,677	2,061,631	138,046
Business and central services	389,027	354,462	34,565
Plant operation and maintenance	2,852,062	2,357,492	494,570
Transportation	2,041,799	1,890,910	150,889
Central services	679,801	652,647	27,154

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2005

	<u>Original and Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Expenditures (continued):			
Non-instructional services:			
Food service	\$ 133,302	\$ 117,147	\$ 16,155
Community service programs	10,000	10,000	-
Capital outlay	<u>1,584,551</u>	<u>163,960</u>	<u>1,420,591</u>
Total expenditures	<u>30,758,310</u>	<u>27,121,163</u>	<u>3,637,147</u>
Excess (deficiency) of revenues over expenditures	<u>(2,853,073)</u>	<u>1,381,423</u>	<u>4,234,496</u>
Other financing sources (uses):			
Operating transfers out	(243,871)	(206,964)	36,907
Operating transfers in	<u>465,657</u>	<u>653,118</u>	<u>187,461</u>
Total other financing sources (uses)	<u>221,786</u>	<u>446,154</u>	<u>224,368</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(2,631,287)</u>	<u>1,827,577</u>	<u>4,458,864</u>
Fund balances at beginning of year	<u>3,704,651</u>	<u>3,704,651</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 1,073,364</u></u>	<u><u>\$ 5,532,228</u></u>	<u><u>\$ 4,458,864</u></u>

The accompanying notes are an integral part of this statement.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NON-MAJOR FUND DESCRIPTIONS
JUNE 30, 2005

I CAN

The I Can program is a federally funded program with a goal of improving the literacy rates of elementary and middle school students by providing them with opportunities to engage in learning experiences designed to strengthen their skills in core subject areas.

SCHOOL FOOD SERVICES

The School Food Service program includes lunch and breakfast and is used to account for the operations of the school food service program in the parish school system during the regular school term. The basic goals of the school food service program are to serve nutritionally adequate, attractive and moderately priced meals, to help children grow socially and emotionally, to extend educational influences to the homes of school children, and to provide learning experiences that will improve children's food habits with the ultimate goal of physically fit adults.

STATE SCHOOL IMPROVEMENT

The State School Improvement is a federally funded program that provides financial incentives for schools that need to substantially improve student achievement by helping schools implement programs based on reliable research and effective practices. The program includes emphasis on basic academics, educator quality, and parental involvement.

TITLE I

Title I of the Elementary and Secondary Education Act (ESEA) is a program for economically and educationally deprived school children that is federally financed, state-administered, and locally operated by the School Board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

EDUCATION FOR ECONOMIC SECURITY ACT (EESA) - TITLE II

Education for Economic Security Act - Title II is a federally funded program to provide financial assistance to improve the skills of teachers in the instructional areas of mathematics, science, computer learning, and foreign languages; and increase the access of all students to this instruction.

DRUG-FREE SCHOOLS AND COMMUNITIES ACT- TITLE IV

The Drug-Free Schools and Communities Act - Title IV is a federally funded program designed to serve students in grades Kindergarten through the 12th grade. Funds are distributed by the State Department of Education as per an established formula for public and non-public schools. All funds are received on a reimbursement basis.

The local education agency's responsibility is to establish and implement comprehensive drug abuse education and prevention programs to be coordinated for all students in elementary and secondary schools that are mandatory, appropriate, and developmentally based.

TITLE V

Title V is a federally funded grant that encourages comprehensive systematic school reform, upgrade instructional and professional development to align with high standards, strengthen accountability and promote the coordination of resources to improve education for all children.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NON-MAJOR FUND DESCRIPTIONS
JUNE 30, 2005

HEAD START

The Head Start program is a federally financed program that provides comprehensive health, educational, nutritional, social, and other services to economically disadvantaged children and their families and to involve parents in their children's activities so that the children will attain overall social competence.

IDEA TRANSITION ASSISTANCE

IDEA Transition Assistance is designed to assist the LDE in improving post-school outcomes for children and youth with disabilities by providing a full time coordinator for training and technical assistance in the southern half of the state. Citations related to transition practices issued by the Federal monitoring required the Division of Special Populations to specifically address transition services for students with disabilities. While some progress has been made towards compliance on transition issues, there remain significant deficits involving transition from school to post-school activities for our students and children. The Project Coordinator will provide technical assistance to LEA's/students/parents in transition planning for students with disabilities. In addition, the project coordinator will provide technical assistance to LEA's in support of students with disabilities enrolled in the Pre-GED/Skills Options Programs. The Project Coordinator will also provide training and technical assistance in self-determination and student-led IEP's. Collaboration with state level LDE personnel and adult agencies that may provide services to eligible students with disabilities upon exit from the LEA will also be a required component for the Project Coordinator.

ADULT EDUCATION

Adult Education is a federally funded program offering higher education opportunities to persons who are aged 16 or older. The program also contains a state funded portion.

VOCATIONAL EDUCATION

Vocational Education is a federally funded program restricted to expenditures for salaries, supplies, and equipment to be used in vocational education programs.

TITLE III

Title III is a federally funded grant designed for language instruction for limited English proficient and immigrant students.

8g PROGRAMS

Multi Sensory is a state funded program that serves students in Kindergarten through 9th grade. The funds are used to provide multi-sensory art experiences to students at these levels.

The 8(g) Textbook Programs are state grants provided by the State Board of Elementary and Secondary Education to create a program which enhances or builds upon regular classroom instruction.

The purpose of the Student Enhancement Program is to implement an early childhood/parent education activity designed to improve the readiness of 4-year old children through a developmentally appropriate curriculum and through early intervention strategies with their families.

The Innovative Professional Development Program provides for three teacher workshops with a duration of two to three days each. The workshops provide training to teachers regarding technology integration.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NON-MAJOR FUND DESCRIPTIONS
JUNE 30, 2005

TEACHING AMERICAN HISTORY

Teaching American History is a federally funded program. The purpose of the program is to support programs to raise student achievement by improving teachers' knowledge, understanding, and appreciation of American History.

TANF Pre-GED

TANF Pre-GED is a federally funded program that provides for a comprehensive counseling and guiding component, a pre-GED academic component, a workplace readiness component, and a skills instruction component for students who are at risk of dropping out of high school. Included in the comprehensive guidance counseling component is a mechanism to encourage students to build secure and stable families.

IDEA-GENERAL EDUCATION INITIATIVE

The purpose of this funding is to assist school districts in meeting the General Education Initiatives performance goal associated with IDEA.

RURAL EDUCATION ACHIEVEMENT PROGRAM (REAP)

The Rural Education Achievement Program is a federally funded program. The purpose of this program is to provide funds for any of the following programs: 1) teacher recruitment and retention, 2) teacher professional development, 3) educational technology, and 4) parental involvement activities.

IDEA, PRESCHOOL

IDEA and Preschool are federally funded programs. IDEA Part -B serves students ages 3 through 21 who have been found eligible through Bulletin 1508, for special education services. The funds are used for materials, supplies, and equipment for direct instruction in special education classes. The Pre-School Flow Through funds target the education of students ages 3 through 5 who have been found eligible, through Bulletin 1508, for special education services within a non-categorical preschool setting or for those needing only speech services. The funds are used for supplies for direct instruction.

COMPREHENSIVE SCHOOL REFORM PROGRAM (CSRP)

The Comprehensive School Reform Program is a federally funded program. The purpose of this program is to raise student achievement by helping high-poverty, low-performing schools implement research-based comprehensive school reform programs.

MCKINNEY VENTO

McKinney Vento is a federally funded program. The purpose of this program is to ensure that each child of a homeless individual or each homeless youth has equal access to the same free, appropriate public education as any non-homeless child or youth.

IDEA SCHOOL RENOVATIONS GRANT

The purpose of this funding is to target high poverty and rural schools with one-time federal funds to improve the condition of school facilities. These funds will be utilized at Assumption High School to renovate facilities.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

NON-MAJOR FUND DESCRIPTIONS
JUNE 30, 2005

READING FIRST

The purpose of the No Child Left Behind (NCLB) Act of 2001 is to ensure that all children in America learn to read well by the end of the third grade; provide the necessary assistance to the State and districts to establish researched-based reading programs; significantly increase professional development; and to provide assistance to the districts in preparing classroom teachers to effectively screen, diagnose, and monitor the progress and outcome in order to overcome reading barriers for their students.

LOUISIANA STATE IMPROVEMENT GRANT (LASIG)

The IDEA District/School Improvement Program seeks to increase the number and quality of general and special education teachers, related service personnel, administrators, and other staff; increase the access to, and participation of, children and youth with disabilities and their families in appropriate and effective special education services and supports; and increase and improve the learning results of children and youth with disabilities. The overall purpose of the Family School Linkages (FSL) Project is to investigate and report: 1) specific ways families can contribute more substantively to schools' educational mission and outcomes and 2) specific ways schools can contribute more substantively and effectively to family capacity and functioning.

SIEMENS PERFORMANCE CONTRACT

The purpose of this fund is to provide resources for the purpose of meeting the contract requirements between the Board and Siemens Building Technologies for the sale and installation of an energy saving scope of work, to include but not limited to, lighting retrofits, water conservation retrofits, and boiler replacements. The resources are provided by the issuance of certificates of indebtedness, Department of Natural Resources funds, and the use of Board's reserves.

1979 DEBT SERVICE

The 1979 Debt Service Fund is used to accumulate funds for the payment of refunding sales tax bonds which are due in various annual installments.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS -

COMBINING BALANCE SHEET

JUNE 30, 2005

	<u>I Can</u>	<u>School Food Services</u>	<u>State School Improvement</u>	<u>Title I</u>
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ 921,679	\$ -	\$ -
Receivables	-	144,284	4,294	369,868
Due from other funds	-	-	-	-
Inventory	-	25,087	-	-
Total assets	\$ -	\$ 1,091,050	\$ 4,294	\$ 369,868
<u>Liabilities and fund equity</u>				
<u>Liabilities:</u>				
Salaries payable, payroll deductions and withholdings payable	\$ -	\$ 75,799	\$ -	\$ 119,051
Accounts payable	-	14,288	-	2,202
Due to other funds	-	-	4,294	248,615
Total liabilities	-	90,087	4,294	369,868
<u>Fund equity:</u>				
Fund balance	-	1,000,963	-	-
Total liabilities and fund equity	\$ -	\$ 1,091,050	\$ 4,294	\$ 369,868

ASSUMPTION PARISH SCHOOL BOARD**Napoleonville, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2005**

	<u>Title II</u>	<u>Title IV</u>	<u>Title V</u>	<u>Head Start</u>	<u>IDEA Transition Assistance</u>
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	71,566	3,495	13,309	198,656	8,562
Due from other funds	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	\$ 71,566	\$ 3,495	\$ 13,309	\$ 198,656	\$ 8,562
<u>Liabilities and fund equity</u>					
Liabilities:					
Salaries payable, payroll deductions and withholdings payable	\$ 1,044	\$ -	\$ -	\$ 64,755	\$ 635
Accounts payable	-	-	1,193	6,496	-
Due to other funds	70,522	3,495	12,116	127,405	7,927
Total liabilities	71,566	3,495	13,309	198,656	8,562
Fund equity:					
Fund balance	-	-	-	-	-
Total liabilities and fund equity	\$ 71,566	\$ 3,495	\$ 13,309	\$ 198,656	\$ 8,562

ASSUMPTION PARISH SCHOOL BOARD**Napoleonville, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2005**

	Adult Education	Vocational Education	Title III	8G Programs	Teaching American History
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	7,941	8,810	982	-	30,391
Due from other funds	-	-	-	-	-
Inventory	-	-	-	-	-
Total assets	\$ 7,941	\$ 8,810	\$ 982	\$ -	\$ 30,391
<u>Liabilities and fund equity</u>					
Liabilities:					
Salaries payable, payroll deductions and withholdings payable	\$ 2,653	\$ -	\$ -	\$ -	\$ 3,978
Accounts payable	-	946	-	-	-
Due to other funds	5,288	7,864	982	-	26,413
Total liabilities	7,941	8,810	982	-	30,391
Fund equity:					
Fund balance	-	-	-	-	-
Total liabilities and fund equity	\$ 7,941	\$ 8,810	\$ 982	\$ -	\$ 30,391

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS -

COMBINING BALANCE SHEET

JUNE 30, 2005

	TANF Pre-GED	IDEA General Initiative	REAP	IDEA	CSRP
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables	-	-	15,587	167,105	31,405
Due from other funds	-	-	107	-	-
Inventory	-	-	-	-	-
Total assets	\$ -	\$ -	\$ 15,694	\$ 167,105	\$ 31,405
<u>Liabilities and fund equity</u>					
Liabilities:					
Salaries payable, payroll deductions and withholdings payable	\$ -	\$ -	\$ 9,739	\$ 50,789	\$ 43
Accounts payable	-	-	-	10,350	2,991
Due to other funds	-	-	5,955	105,966	28,371
Total liabilities	-	-	15,694	167,105	31,405
Fund equity:					
Fund balance	-	-	-	-	-
Total liabilities and fund equity	\$ -	\$ -	\$ 15,694	\$ 167,105	\$ 31,405

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS -

COMBINING BALANCE SHEET

JUNE 30, 2005

	McKinney Vento	School Renovations	Reading First	LASIG
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables	5,601	-	227,764	6,465
Due from other funds	-	-	-	-
Inventory	-	-	-	-
Total assets	\$ 5,601	\$ -	\$ 227,764	\$ 6,465
<u>Liabilities and fund equity</u>				
Liabilities:				
Salaries payable, payroll deductions and withholdings payable	\$ 2,626	\$ -	\$ 121,674	\$ 65
Accounts payable	62	-	254	1,733
Due to other funds	2,913	-	105,836	4,667
Total liabilities	5,601	-	227,764	6,465
Fund equity:				
Fund balance	-	-	-	-
Total liabilities and fund equity	\$ 5,601	\$ -	\$ 227,764	\$ 6,465

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS -
COMBINING BALANCE SHEET

JUNE 30, 2005

	<u>Siemens Performance Contract</u>	<u>1979 Debt Service</u>	<u>Total</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 393,890	\$ 507,460	\$ 1,823,029
Receivables	-	202	1,316,287
Due from other funds	-	-	107
Inventory	-	-	25,087
Total assets	\$ 393,890	\$ 507,662	\$ 3,164,510
<u>Liabilities and fund equity</u>			
Liabilities:			
Salaries payable, payroll deductions and withholdings payable	\$ -	\$ -	\$ 452,851
Accounts payable	-	12,990	53,505
Due to other funds	-	-	768,629
Total liabilities	-	12,990	1,274,985
Fund equity:			
Fund balance	393,890	494,672	1,889,525
Total liabilities and fund equity	\$ 393,890	\$ 507,662	\$ 3,164,510

ASSUMPTION PARISH SCHOOL BOARD**Napoleonville, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2005

	<u>I Can</u>	<u>School Food Services</u>	<u>State School Improvement</u>	<u>Title I</u>
<u>Revenues</u>				
Local sources:				
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -
Food sales	-	366,622	-	-
Earnings on investments	-	15,908	-	-
Other	-	40	-	-
State sources:				
Unrestricted grants-in-aid	-	107,115	-	-
Restricted grants-in-aid	-	-	11,975	-
Federal sources:				
Restricted grants-in-aid - subgrants	5,565	1,156,131	-	1,325,580
Commodities - United States				
Department of Agriculture	-	104,431	-	-
Total revenues	<u>5,565</u>	<u>1,750,247</u>	<u>11,975</u>	<u>1,325,580</u>
<u>Expenditures</u>				
Instruction:				
Special education programs	717	-	11,975	1,240,521
Support services:				
Pupil support services	-	-	-	-
Instructional staff services	-	-	-	-
General administration	-	-	-	-
Plant operation and maintenance	-	-	-	-
Facility acquisition	-	-	-	-
Non-instructional services:				
School food service	-	1,773,596	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>717</u>	<u>1,773,596</u>	<u>11,975</u>	<u>1,240,521</u>
Excess (deficiency) of revenues over expenditures	<u>4,848</u>	<u>(23,349)</u>	<u>-</u>	<u>85,059</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Operating transfers out	(4,848)	-	-	(85,059)
Operating transfers in	-	206,964	-	-
Total other sources (uses)	<u>(4,848)</u>	<u>206,964</u>	<u>-</u>	<u>(85,059)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>183,615</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	<u>-</u>	<u>817,348</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 1,000,963</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2005

	<u>Title II</u>	<u>Title IV</u>	<u>Title V</u>	<u>Head Start</u>	<u>IDEA Transition Assistance</u>
<u>Revenues</u>					
Local sources:					
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -
Food sales	-	-	-	-	-
Earnings on investments	-	-	-	-	-
Other	-	-	-	4,745	-
State sources:					
Unrestricted grants-in-aid	-	-	-	-	-
Restricted grants-in-aid	-	-	-	-	-
Federal sources:					
Restricted grants-in-aid - subgrants	247,977	26,828	18,690	712,188	58,775
Commodities - United States					
Department of Agriculture	-	-	-	-	-
Total revenues	<u>247,977</u>	<u>26,828</u>	<u>18,690</u>	<u>716,933</u>	<u>58,775</u>
<u>Expenditures</u>					
Instruction:					
Special education programs	231,860	26,302	17,473	379,133	54,876
Support services:					
Pupil support services	-	-	-	62,900	-
Instructional staff services	-	-	-	155,657	-
General administration	-	-	-	15,752	-
Plant operation and maintenance	-	-	-	11,259	-
Facility acquisition	-	-	-	92,232	-
Non-instructional services:					
School food service	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and bank charges	-	-	-	-	-
Total expenditures	<u>231,860</u>	<u>26,302</u>	<u>17,473</u>	<u>716,933</u>	<u>54,876</u>
Excess (deficiency) of revenues over expenditures	<u>16,117</u>	<u>526</u>	<u>1,217</u>	<u>-</u>	<u>3,899</u>
Other financing sources (uses)					
Bond proceeds	-	-	-	-	-
Operating transfers out	(16,117)	(526)	(1,217)	-	(3,899)
Operating transfers in	-	-	-	-	-
Total other sources (uses)	<u>(16,117)</u>	<u>(526)</u>	<u>(1,217)</u>	<u>-</u>	<u>(3,899)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund balances at beginning of year	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2005

	Adult Education	Vocational Education	Title III	8G Programs	Teaching American History
Revenues					
Local sources:					
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -
Food sales	-	-	-	-	-
Earnings on investments	-	-	-	-	-
Other	-	-	-	-	-
State sources:					
Unrestricted grants-in-aid	-	-	-	-	-
Restricted grants-in-aid	5,015	-	(1,242)	11,032	-
Federal sources:					
Restricted grants-in-aid - subgrants	42,137	56,141	1,330	-	283,671
Commodities - United States	-	-	-	-	-
Department of Agriculture	-	-	-	-	-
Total revenues	<u>47,152</u>	<u>56,141</u>	<u>88</u>	<u>11,032</u>	<u>283,671</u>
Expenditures					
Instruction:					
Special education programs	44,865	56,141	-	11,032	266,608
Support services:					
Pupil support services	-	-	-	-	-
Instructional staff services	-	-	-	-	-
General administration	-	-	-	-	-
Plant operation and maintenance	-	-	-	-	-
Facility acquisition	-	-	-	-	-
Non-instructional services:					
School food service	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and bank charges	-	-	-	-	-
Total expenditures	<u>44,865</u>	<u>56,141</u>	<u>-</u>	<u>11,032</u>	<u>266,608</u>
Excess (deficiency) of revenues over expenditures	<u>2,287</u>	<u>-</u>	<u>88</u>	<u>-</u>	<u>17,063</u>
Other financing sources (uses)					
Bond proceeds	-	-	-	-	-
Operating transfers out	(2,287)	-	(88)	-	(17,063)
Operating transfers in	-	-	-	-	-
Total other sources (uses)	<u>(2,287)</u>	<u>-</u>	<u>(88)</u>	<u>-</u>	<u>(17,063)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund balances at beginning of year	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION PARISH SCHOOL BOARD**Napoleonville, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2005

	TANF Pre-GED	IDEA Gen Ed Initiative	REAP	IDEA	CSRP
Revenues					
Local sources:					
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -
Food sales	-	-	-	-	-
Earnings on investments	-	-	-	-	-
Other	-	-	-	-	-
State sources:					
Unrestricted grants-in-aid	-	-	-	-	-
Restricted grants-in-aid	-	-	-	-	-
Federal sources:					
Restricted grants-in-aid - subgrants	9,528	76,652	136,438	986,686	207,753
Commodities - United States Department of Agriculture	-	-	-	-	-
Total revenues	<u>9,528</u>	<u>76,652</u>	<u>136,438</u>	<u>986,686</u>	<u>207,753</u>
Expenditures					
Instruction:					
Special education programs	9,528	71,898	127,664	925,270	207,753
Support services:					
Pupil support services	-	-	-	-	-
Instructional staff services	-	-	-	-	-
General administration	-	-	-	-	-
Plant operation and maintenance	-	-	-	-	-
Facility acquisition	-	-	-	-	-
Non-instructional services:					
School food service	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and bank charges	-	-	-	-	-
Total expenditures	<u>9,528</u>	<u>71,898</u>	<u>127,664</u>	<u>925,270</u>	<u>207,753</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>4,754</u>	<u>8,774</u>	<u>61,416</u>	<u>-</u>
Other financing sources (uses)					
Bond proceeds	-	-	-	-	-
Operating transfers out	-	(4,754)	(8,774)	(61,416)	-
Operating transfers in	-	-	-	-	-
Total other sources (uses)	<u>-</u>	<u>(4,754)</u>	<u>(8,774)</u>	<u>(61,416)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2005

	<u>McKinney Vento</u>	<u>School Renovations</u>	<u>Reading First</u>	<u>LASIG</u>
<u>Revenues</u>				
Local sources:				
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -
Food sales	-	-	-	-
Earnings on investments	-	-	-	-
Other	-	-	-	-
State sources:				
Unrestricted grants-in-aid	-	-	-	-
Restricted grants-in-aid	-	-	-	-
Federal sources:				
Restricted grants-in-aid - subgrants	55,135	97,910	1,509,139	53,468
Commodities - United States Department of Agriculture	-	-	-	-
Total revenues	<u>55,135</u>	<u>97,910</u>	<u>1,509,139</u>	<u>53,468</u>
<u>Expenditures</u>				
Instruction:				
Special education programs	51,366	-	1,458,586	49,920
Support services:				
Pupil support services	-	-	-	-
Instructional staff services	-	-	-	-
General administration	-	-	-	-
Plant operation and maintenance	-	-	-	-
Facility acquisition	-	97,910	-	-
Non-instructional services:				
School food service	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and bank charges	-	-	-	-
Total expenditures	<u>51,366</u>	<u>97,910</u>	<u>1,458,586</u>	<u>49,920</u>
Excess (deficiency) of revenues over expenditures	<u>3,769</u>	<u>-</u>	<u>50,553</u>	<u>3,548</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Operating transfers out	(3,769)	-	(50,553)	(3,548)
Operating transfers in	-	-	-	-
Total other sources (uses)	<u>(3,769)</u>	<u>-</u>	<u>(50,553)</u>	<u>(3,548)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ASSUMPTION PARISH SCHOOL BOARD**Napoleonville, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2005

	Siemens Performance Contract	1979 Debt Service	Total
<u>Revenues</u>			
Local sources:			
Taxes - ad valorem	\$ -	\$ 300,183	\$ 300,183
Food sales	-	-	366,622
Earnings on investments	-	7,463	23,371
Other	-	-	4,785
State sources:			
Unrestricted grants-in-aid	-	-	107,115
Restricted grants-in-aid	-	-	26,780
Federal sources:			
Restricted grants-in-aid - subgrants	-	-	7,067,722
Commodities - United States			
Department of Agriculture	-	-	104,431
Total revenues	-	307,646	8,001,009
<u>Expenditures</u>			
Instruction:			
Special education programs	-	-	5,243,488
Support services:			
Pupil support services	-	-	62,900
Instructional staff services	-	-	155,657
General administration	21,064	11,784	48,600
Plant operation and maintenance	-	-	11,259
Facility acquisition	1,285,046	-	1,475,188
Non-instructional services:			
School food service	-	-	1,773,596
Debt service:			
Principal retirement	-	180,000	180,000
Interest and bank charges	-	55,890	55,890
Total expenditures	1,306,110	247,674	9,006,578
Excess (deficiency) of revenues over expenditures	(1,306,110)	59,972	(1,005,569)
Other financing sources (uses)			
Bond proceeds	1,700,000	-	1,700,000
Operating transfers out	-	-	(263,918)
Operating transfers in	-	-	206,964
Total other sources (uses)	1,700,000	-	1,643,046
Excess (deficiency) of revenues and other sources over expenditures and other uses	393,890	59,972	637,477
Fund balances at beginning of year	-	434,700	1,252,048
Fund balances at end of year	\$ 393,890	\$ 494,672	\$ 1,889,525

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

SCHEDULE OF COMPENSATION PAID BOARD MEMBERS

FOR THE YEAR ENDED JUNE 30, 2005

Leonard Alcorn	\$ 6,000
Andrea Barras	6,160
John Beck	6,300
Doris Dugas	6,000
Lawrence Howell	6,000
Edward Landry	1,000
Electa Fletcher Mickens	6,000
Ray Nicholas	6,000
Jessica Ourso	6,300
Henry Robichaux	3,250
Harold Templet	<u>1,750</u>
Total	<u>\$ 54,760</u>



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Members of the Assumption
Parish School Board
Napoleonville, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Assumption Parish School Board as of and for the year ended June 30, 2005, which collectively comprise the Assumption Parish School Board's basic financial statements and have issued our report thereon dated December 5, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Assumption Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Assumption Parish School Board's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 05-1 and 05-2.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Assumption Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 05-3, 05-4, 05-5, 05-6, and 05-7.

We also noted certain additional matters that we reported to management of Assumption Parish School Board in a separate letter dated December 5, 2005.

This report is intended solely for the information and use of the Assumption Parish School Board, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Poslathurst & Netterville

December 5, 2005



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

The Members of the Assumption
Parish School Board
Napoleonville, Louisiana

Compliance

We have audited the compliance of Assumption Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. Assumption Parish School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Assumption Parish School Board's management. Our responsibility is to express an opinion on Assumption Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Assumption Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Assumption Parish School Board's compliance with those requirements.

In our opinion, Assumption Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned cost item 05-8.

Internal Control Over Compliance

The management of Assumption Parish School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Assumption Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Assumption Parish School Board as of and for the year ended June 30, 2005, and have issued our report thereon dated December 5, 2005. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Assumption Parish School Board's basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Assumption Parish School Board, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwait & Nettleton

December 5, 2005

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2005

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF AGRICULTURE			
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution	10.550	None	\$ 104,431
Passed through Louisiana Department of Education:			
National School Lunch Program	10.555	None	887,275
National School Breakfast Program	10.553	None	264,220
National After School Snack Program	10.555	None	4,636
			<u>1,260,562</u>
UNITED STATES DEPARTMENT OF EDUCATION			
Passed through Louisiana Department of Education:			
Adult Education	84.002A	04-44-04	7,097
Adult Education	84.002A	28-05-44-04	27,010
Adult Education	84.002A	28-05-21-04	8,030
CSRP-Comprehensive School Reform Program	84.332A	03-T6-04-C	59,730
CSRP-Comprehensive School Reform Program	84.332A	28-04-T6-04-C	148,023
Drug-Free School and Communities Act	84.186A	28-05-70-04	10,184
Drug-Free School and Communities Act	84.186A	04-70-04	16,644
Enhancing Education Through Technology	84.318X	28-04-49-04	1,448
Enhancing Education Through Technology	84.318X	28-04-49-04-C	8,652
Enhancing Education Through Technology	84.318X	28-05-49-04	19,226
IDEA - Part B	84.027A	28-04-B1-04	327,343
IDEA - Part B Carryover	84.027A	28-04-B1-04	105,531
IDEA - Part B	84.027A	28-05-B1-04	495,686
IDEA - Preschool	84.173A	28-04-P1-04	12,951
IDEA - Preschool Carryover	84.173A	28-04-P1-04	14,084
IDEA - Preschool	84.173A	28-05-P1-04	26,091
IDEA - General Education Initiative	84.027A	28-03-B2-04	76,652
IDEA - Louisiana School Improvement Grant	84.027A	28-04-SD-04	53,468
IDEA - Transition Assistance	84.027A	27-04-B5-04	58,775
Louisiana Assistive Technology Reimbursement Program	84.027A	28-05-TR-04	8,161
MCKinney Vento	84.196A	04-H1-04	2,980
MCKinney Vento	84.196A	28-05-H1-04	52,155
Naval Junior Reserve Officer Training Program	None	JROTC036S	50,174
Reading First	84.357A	03-RF-04	557,828
Reading First	84.357A	28-04-RS-04	299,500
Reading First	84.357A	28-04-RF-04	651,811
REAP-Rural Education Achievement Program	84.358B	04-RE-04	30,007
REAP-Rural Education Achievement Program	84.358B	04-RE-04-C	73,406
REAP-Rural Education Achievement Program	84.358B	28-05-RE-59	33,025
Region 3 Teaching American History	84.215X	S215X010155	224,925
Region 3 Teaching American History	84.215X	U215X040286	58,746
School Renovations	84.352A	03-SG-04	97,910
Starting Points	93.558	28-05-35	15,824
TANF Pre-GED Skills Option	93.558	28-04-36-04	9,528

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2005

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF EDUCATION			
Passed through Louisiana Department of Education:			
Title I	84.010A	04-TI-04	303,958
Title I	84.01A	28-05-T1-04	929,305
Title I Carryover	84.010	04-T1-04-C	92,317
Title II	84.367A	04-50-04	198,849
Title II	84.367A	28-05-50-04	49,128
Title III	84.365A	28-05-S3-04	1,330
Title V	84.298A	28-05-80-04	13,309
Title V	84.298A	04-80-04	5,381
Twenty-First Century Community Learning Centers	84.287A	S287A001595	5,565
Vocational Education Carryover	84.048	28-04-02-04-C	1,324
Vocational Education	84.048	28-05-02-04	54,817
			<u>5,297,888</u>
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN RESOURCES			
Head Start	93.600	06CH0407/12	88
Head Start	93.600	06CH0407/13	712,100
			<u>712,188</u>
Total			<u>\$ 7,270,638</u>

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Assumption Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

NOTE C - RELATIONSHIP TO FINANCIAL STATEMENTS

The expenditures are recognized as follows:

General Fund	\$ 98,485
Other Governmental	7,172,153
	<u>\$ 7,270,638</u>

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Assumption Parish School Board.
2. Two reportable conditions relating to the audit of the financial statements of Assumption Parish School Board are reported in Part B of this Schedule. These conditions are not considered to be material weaknesses.
3. Five instances of noncompliance relative to the financial statements of Assumption Parish School Board, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit. These items are reported in Part B of this Schedule
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for IDEA, Region 3 Teaching American History, Reading First and Head Start expresses an unqualified opinion.
6. One audit finding relative to the major federal award programs for Assumption Parish School Board is reported in Part C of this Schedule.
7. The following programs are identified as major programs for the year ended June 30, 2005:

	Federal
	<u>CFDA Number</u>
IDEA	84.027A & 84.173A
Region 3 Teaching American History	84.215X
Reading First	84.357A
Head Start	93.600

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Assumption Parish School Board was determined not to be a low-risk auditee.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

B. FINDINGS – FINANCIAL STATEMENT AUDIT

REPORTABLE CONDITIONS IN INTERNAL CONTROL

05-1 Controls over Payroll

Criteria: Internal controls should be in place that provides assurance that salaries are correctly computed and that payroll checks are printed for employees that currently work for the School District. Payroll functions within the computer system should be restricted, and access to specific functions should be assigned to specific personnel as it relates to their required duties.

Condition: Presently, all personnel in the payroll, human resources, and accounting departments have complete access to all payroll functions within the computer system. This is the result of a change to new payroll software near the end of the fiscal year.

Effect: Internal controls over payroll have been weakened by such unlimited access.

Recommendation: Access to the various payroll functions should be limited to personnel that require the use of the software to perform their assigned duties. Additionally, the business manager should continue to review in detail the monthly payroll reconciliation by budget category and should document her review of this reconciliation.

Response: Access to the various payroll functions will be limited once all calendar year payroll filings are complete. Additionally, the monthly payroll reconciliation will continue to be reviewed in detail by the business manager. This review will be documented.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

REPORTABLE CONDITIONS IN INTERNAL CONTROL (continued)

05-2 Controls over Transportation

Criteria: Internal controls should be in place that provides assurance that bus drivers are paid for the correct mileage and operational expenses.

Condition: The mileage reports that have been submitted by each driver at the beginning of each school year have not been approved by the transportation department. Additionally, each route has not been verified by the transportation department to ensure that the mileage reports are correct. Any changes to the mileage reports or routes have not been approved and verified by the transportation department.

Effect: The mileage and operational expenses that are paid to bus drivers may not be correct.

Recommendation: The transportation department should approve the mileage reports submitted by each driver at the beginning of each school year. Additionally, each route should be verified by the transportation department to ensure that the mileage reports are correct and any changes to the mileage reports or routes should be approved and verified.

Response: The transportation department will review and approve the mileage reports that have been submitted by each driver at the beginning of each school year. Additionally, each route will be verified by the transportation department to ensure that the mileage reports are correct and any changes to the mileage reports or routes will be approved and verified.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

COMPLIANCE WITH LAWS AND REGULATIONS

05-3 Transportation Department

Criteria: Only necessary and reasonable expenditures should be paid with public funds.

Condition: A bus driver was paid for mileage and operational expenses during the fiscal year for reimbursement calculated using mileage that was not being driven by the respective bus driver. The respective driver was overpaid by \$5,230.91.

Effect: The School Board overpaid mileage and operational expenses to a bus driver for the majority of the school year for an extra route that was not being driven.

Recommendation: The transportation department should verify that bus drivers are submitting mileage reports only for routes that are actually being driven. Additionally, the transportation department should verify that the mileage reports accurately report the miles for each respective route and any changes to the mileage reports or routes should be approved and verified.

Response: The transportation department will review and approve the mileage reports to ensure that bus drivers are being paid only for routes that are being driven. Additionally, each route will be verified by the transportation department to ensure that the mileage reports are correct and any changes to the mileage reports or routes will be approved and verified.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

B. FINDINGS - FINANCIAL STATEMENT AUDIT (continued)

COMPLIANCE WITH LAWS AND REGULATIONS (continued)

05-4 Louisiana Public Bid Law

Criteria: Louisiana Revised Statute 38:2212.1A(b) states that purchases of \$10,000 or more, but less than \$20,000, shall be made by obtaining not less than 3 telephone or facsimile quotations.

Condition: The School Board did not obtain 3 quotes for one purchase that was in excess of state bid law requirements.

Effect: Louisiana Revised Statute 38:2212.1A(b) has been violated.

Recommendation: All purchases of \$10,000 or more, but less than \$20,000, shall be made by obtaining not less than 3 telephone or facsimile quotations.

Response: We concur with the recommendation. All purchases of \$10,000 or more, but less than \$20,000, will be made by obtaining not less than 3 telephone or facsimile quotations.

05-5 Louisiana Budget Law

Criteria Louisiana Revised Statute 39:1305 requires that a budget shall be adopted for the general fund and each special revenue fund.

Condition: The School Board did not adopt budgets for two of its special revenue funds.

Effect: The failure to adopt budgets for these special revenue funds is a violation of Louisiana Revised Statute 39:1305.

Recommendation: The school board shall adopt budgets for each special revenue fund each year.

Response: We concur with the recommendation. All budgets will be adopted each year as required.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

COMPLIANCE WITH LAWS AND REGULATIONS (continued)

05-6 Louisiana Budget Law

Criteria: Louisiana Revised Statute 39:1310A(2) requires that the budget shall be amended when total actual expenditures and other uses plus projected expenditures and other uses for the remainder of a year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.

Condition: The Reading First Fund had actual excess expenditures of 7.8% over the budgeted amount of total expenditures.

Effect: The negative variance of expenditures of more than five percent is a violation of Louisiana Revised Statute 39:1310A(2).

Recommendation: The School Board shall advise the governing authority in writing when total actual expenditures and other uses plus projected expenditures and other uses for the remainder of a year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.

Response: We concur with the recommendation. Proper written notice will be given to the governing authority, along with budget amendment, will be made when total actual expenditures and other uses plus projected expenditures and other uses for the remainder of a year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

B. FINDINGS – FINANCIAL STATEMENT AUDIT (continued)

COMPLIANCE WITH LAWS AND REGULATIONS (continued)

05-7 Security for Deposits

Criteria: Louisiana Revised Statute 39:1225 requires securities to be pledged as collateral by the financial institutions to secure the School Board's deposits. The amount of the security shall at all times be equal to one hundred percent of the amount of collected funds on deposit to the credit of each depositing authority except that portion of the deposits insured by any governmental agency insuring bank deposits which is organized under the laws of the United States.

Condition: At June 30, 2005, the School Board's deposits were unsecured by \$29,382.

Effect: The School Board is in violation of Louisiana Revised Statute 39:1225.

Recommendation: We recommend that the School Board monitor the collected balances at various institutions to ensure that all funds are properly collateralized.

Response: We concur with the finding.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

UNITED STATES DEPARTMENT OF EDUCATION

05-8 Teaching American History

Criteria: The annual performance report for the year ended 6/30/05 should have been submitted by 7/31/05.

Condition: The annual performance report has not yet been filed.

Effect: Funding for Teaching American History could be delayed or the School Board could be assessed penalty for not filing the annual performance report timely.

Recommendation: The annual performance report should be filed.

Response: The annual performance report for the year ended 6/30/05 will be filed as soon as possible.

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2005

A. FINDINGS - FINANCIAL STATEMENT AUDIT

None

B. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

04-01 School Lunch

Condition: The SFS-8B Report for National School Lunch was not filed timely and the total revenue and expenditures reported did not agree with the general ledger.

Current Status: A similar finding was noted in the current audit of the financial statements.

04-02 School Lunch

Condition: Certifications for employees were not obtained.

Current Status: No similar findings were noted in the current audit of the financial statements.

04-03 School Renovations

Condition: A copy of the payroll and a statement of compliance (certified payrolls) for each week in which any contract work was performed were not obtained by the School Board for the two contracts awarded under the School Renovations fund.

Current Status: No similar findings were noted in the current audit of the financial statements.

JOHN BECK
PRESIDENT

EARL T. MARTINEZ
SUPERINTENDENT

LEONARD ALCORN
VICE-PRESIDENT

ASSUMPTION PARISH SCHOOL BOARD

"Celebrating 129 Years of Educating Assumption Parish"

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Business Services Department
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ELECTA FLETCHER MICKENS
RAY NICHOLAS
JESSICA OURSO
EDWARD LANDRY

December 20, 2005

Postlethwaite and Netterville
P. O. Box 1190
Donaldsonville, LA 70390

To Whom It May Concern:

Please be advised of the following corrective action plans implemented as a result of the June 30, 2005 audit:

1. **Finding 05-01 Controls over Payroll** - Access to the various payroll functions will be limited once all calendar year payroll filings are complete. Additionally, the monthly payroll reconciliation will continue to be reviewed in detail by the business manager. This review will be documented.
2. **Finding 05-2 Controls over Transportation** - The transportation department will review and approve the mileage reports that have been submitted by each driver at the beginning of each school year. Additionally, each route will be verified by the transportation department to ensure that the mileage reports are correct and any changes to the mileage reports or routes will be approved and verified.
3. **Finding 05-3 Transportation Department** - The transportation department will review and approve the mileage reports to ensure that bus drivers are being paid only for routes that are being driven. Additionally, each route will be verified by the transportation department to ensure that the mileage reports are correct and any changes to the mileage reports or routes will be approved and verified.
4. **Finding 05-4 Louisiana Public Bid Law** - All purchases of \$10,000 or more, but less than \$20,000, will be made by obtaining not less than 3 telephone or facsimile quotations.
5. **Finding 05-5 - Louisiana Budget Law** - We concur with the recommendation. All budgets will be adopted each year as required.
6. **Finding 05-6 Louisiana Budget Law** - We concur with the recommendation. Proper written notice will be given to the governing authority, along with budget amendment, will be made when total actual expenditures and other uses plus projected expenditures and other uses for the remainder of a year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.
7. **Finding 05-7 Security for Deposits** - The School Board shall monitor the collected balances at various institutions to ensure that all funds are properly collateralized.
8. **Finding 05-8 Teaching American History** - The annual performance report for the year ended 6/30/05 will be filed as soon as possible.

"An Equal Opportunity Employer"

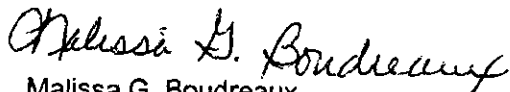
The Assumption Parish School Board does not discriminate on the basis of race, color, national origin, sex, age, or disability in any of its programs, activities, admission, or employment practices as required by Title VI, Title IX, Section 504, and Title II.

9. **Management Letter point - Information System Control Environment**

- a. Establish a password policy. Passwords should be required to be at least seven characters, alpha numeric, cash sensitive, and should have at least one special character. Additionally, passwords should be required to change every 60 to 90 days. Implementation of a new password policy will be effective with the upgrade to our email system.
- b. Access to the server should be restricted. Changing of the current lock system for this area of the building will be done as soon as possible.
- c. Backup tapes should be stored offsite. Options for offsite storage are currently being reviewed for feasibility and security.
- d. In order to aid in data recovery, a Disaster Recovery Plan should be adopted. A committee will be formulated to build upon a very sketchy DRP.
- e. Passwords should be required to access the Quicken accounting systems at the schools. Oversight should take place at the main office. Secretarial meetings will be held in the near future to review the process of establishing a security system for the schools in regards to Quicken access.
- f. Access to the Pentamation system should be reviewed. Restrictions should be in place to limit access to employees in all areas that are not necessary to fulfill their assigned duties. A review of user access shall be done on a periodic basis to ensure that users have access to only those areas necessary for their job responsibilities.

10. **Management Letter point - Equipment and Real Property Management** - A reassessment of job duties of personnel in the business department will be done so that equipment and property management responsibility will be reassigned to be coordinate with the strengths of the current staff.

Sincerely,



Malissa G. Boudreaux
Director of Business Services



Postlethwaite & Netterville

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INDEPENDENT AUDITORS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the
Assumption Parish School Board

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Assumption Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Assumption Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
 - Total General Fund Instructional Expenditures,
 - Total General Fund Equipment Expenditures,
 - Total Local Taxation Revenue,
 - Total Local Earnings on Investment in Real Property,
 - Total State Revenue in Lieu of Taxes,
 - Nonpublic Textbook Revenue, and
 - Nonpublic Transportation Revenue.

Results:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Results:

No differences were noted between the number of full-time classroom teachers per Schedule 4 and Schedule 2, or between the schedules and the Oct. 1 payroll records.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

Results:

No differences were noted between the number of principals and assistant principals per Schedule 4 and Schedule 2, or between the schedules and the Oct. 1 payroll records.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Results:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the National School Lunch Program (CFDA 10.555) application.

Results:

We noted no discrepancies between the schools as listed in the National School Lunch Program application and the list supporting the schools represented in the schedule.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Results:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary and extra compensation were properly included on the schedule.

Results:

In our sample of 25, we noted reasonableness between the level of compensation that would be appropriate for the education and experience level per the district wide salary schedule and the amount actually paid per the aforementioned listing. Note that reasonableness is considered because the actual pay that was used in the computation of the average and the annual salary per the salary schedule may be different due to docs in pay or other factors.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

Results:

We noted no differences in the averages reported on the schedule and our calculations.

Class Size Characteristics (Schedule 6)

9. We obtained a list of teachers and the classes that they teach with the class size and reconciled that list to the total classes for each class size category as reported on the schedule. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

Results:

In our sample of 10 classes, no discrepancies existed between the aforementioned listing and the schedule.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Assumption Parish School Board.

Results:

No differences were noted.

The Graduation Exit Exam for the 21st Century (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Assumption Parish School Board.

Results:

No differences were noted.

The Iowa Tests (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Assumption Parish School Board.

Results:

No differences were noted.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Assumption Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Poaththuan + Nettivilly

December 5, 2005

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514 – PERFORMANCE AND STATISTICAL DATA)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2005

Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 - Education Levels of Public School Staff

This schedule includes the certified and uncertified number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

Schedule 4 - Experience of Public Teachers and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 - Public School Staff Data

This schedule includes average classroom teacher's salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

Schedule 7 - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 - The Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 9 - The IOWA Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 1

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
For the Year Ended June 30, 2005****General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teachers Salaries	\$10,493,487	
Other Instructional Staff Salaries:	1,423,927	
Employee Benefits	4,364,401	
Purchased Professional and Technical Services	157,781	
Instructional Materials and Supplies	411,170	
Instructional Equipment	7,215	
Total Teacher and Student Interaction Activities		\$16,857,981
Other Instructional Activities		310,645
Pupil Support Activities	992,767	
Less: Equipment for Pupil Support Activities	-	
Net Pupil Support Activities		992,767
Instructional Staff Services	639,944	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		639,944

Total General Fund Instructional Expenditures

\$18,801,337

Total General Fund Equipment Expenditures

\$ 45,152**Certain Local Revenue Sources**

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 457,559
Renewal Ad Valorem Taxes	2,821,746
Debt Service Ad Valorem Taxes	-
Up to 1% of Collections by Sheriff	85,795
Sales and Use Taxes	3,423,547
Total Local Taxation Revenue	<u>\$ 6,788,647</u>

Local Earnings on Investments in Real Property:

Earnings from 16th Section Property	\$ 12,251
Earnings from Other Real Property	-
Total Local Earnings on Investments in Real Property	<u>\$ 12,251</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ 15,484
Revenue Sharing - Other Taxes	95,117
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	2,821
Total State Revenue in Lieu of Taxes	<u>\$ 113,422</u>

Nonpublic Textbook Revenue

\$ 9,334

Nonpublic Transportation Revenue

\$ 50,556

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 2

Education Levels of Public School Staff

As of October 1, 2004

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	2	1%	1	13%	0	0%	0	0%
Bachelor's Degree	221	78%	6	75%	0	0%	0	0%
Master's Degree	38	13%	1	13%	5	23%	0	0%
Master's Degree + 30	21	7%	0	0%	17	77%	0	0%
Specialist in Education	0	0%	0	0%	0	0%	0	0%
Ph. D. or Ed. D.	0	0%	0	0%	0	0%	0	0%
Total	282	100%	8	100%	22	100%	0	0%

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 3

Number and Type of Public Schools

For the year ended June 30, 2005

Type	Number
Elementary	5
Middle/Jr. High	4
Secondary	1
Combination	0

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 4

**Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2004**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	1	3	0	2	6	12
Principals	0	0	1	0	3	3	3	10
Classroom Teachers	38	29	73	41	23	24	62	290
Total	38	29	75	44	26	29	71	312

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 5

Public School Staff Data

As of June 30, 2005

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	36,491	36,159
Average Classroom Teachers' Salary Excluding Extra Compensation	36,177	35,868
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	289.3	283.8

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 6

Class Size Characteristics

As of October 1, 2004

School Type:	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	75.0%	72	25.0%	24	0.0%	0	0.0%	0
Elementary Activity Classes	55.9%	19	44.1%	15	0.0%	0	0.0%	0
Middle/Jr. High	36.6%	129	57.1%	201	6.3%	22	0.0%	0
Middle/Jr. High Activity Classes	55.6%	35	30.2%	19	11.1%	7	3.1%	2
High	50.0%	156	41.4%	129	8.6%	27	0.0%	0
High Activity Classes	67.9%	36	11.3%	6	18.9%	10	1.9%	1
Combination	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Combination Activity Classes	0.0%	0	0.0%	0	0.0%	0	0.0%	0

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 7

Louisiana Educational Assessment Program (LEAP) for the 21st Century **For the year ended June 30, 2005**

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	7	2.0%	10	2.9%	3	0.8%	8	2.3%	7	2.0%	8	2.1%
Mastery	78	22.3%	59	17.0%	37	9.6%	65	18.6%	37	10.6%	42	10.9%
Basic	157	45.0%	125	35.9%	173	44.8%	163	46.7%	130	37.4%	142	36.8%
Approaching Basic	71	20.3%	76	21.8%	96	24.9%	62	17.8%	82	23.6%	107	27.7%
Unsatisfactory	36	10.3%	78	22.4%	77	19.9%	51	14.6%	92	26.4%	87	22.5%
Total	349	100.0%	348	100.0%	386	100.0%	349	100.0%	348	100.0%	386	100.0%

District Achievement Level Results	English Language Arts						Mathematics					
	2005		2004		2003		2005		2004		2003	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	0	0.0%	0	0.0%	2	0.5%	6	2.0%	9	2.6%	7	1.8%
Mastery	46	15.6%	31	9.5%	45	12.4%	24	7.9%	20	5.8%	22	5.7%
Basic	121	41.2%	143	43.6%	150	41.2%	170	55.7%	206	60.2%	161	42.1%
Approaching Basic	90	30.6%	116	35.4%	117	32.1%	56	18.3%	52	15.3%	87	22.7%
Unsatisfactory	37	12.6%	38	11.5%	50	13.8%	49	16.1%	55	16.1%	106	27.7%
Total	294	100.0%	328	100.0%	364	100.0%	305	100.0%	342	100.0%	383	100.0%

ASSUMPTION PARISH SCHOOL BOARD
Napoleonville, Louisiana

Schedule 8

The Graduation Exit Exam for the 21st Century
For the year ended June 30, 2005

Spring 2005 GEE 21								
District Achievement Level Results	English Language Arts				Mathematics			
	2005		2004		2005		2004	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10								
Advanced	3	1.2%	1	0.4%	21	8.3%	15	5.8%
Mastery	40	15.7%	20	8.4%	47	18.6%	47	18.2%
Basic	141	55.5%	125	52.3%	109	43.1%	93	36.0%
Approaching Basic	57	22.4%	63	26.4%	35	13.8%	49	19.0%
Unsatisfactory	13	5.2%	30	12.5%	41	16.2%	54	21.0%
Total	254	100.0%	239	100.0%	253	100.0%	258	100.0%

Spring 2005 GEE 21								
District Achievement Level Results	Science				Social Studies			
	2005		2004		2005		2004	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11								
Advanced	2	1.0%	3	1.5%	1	0.5%	2	1.0%
Mastery	34	17.8%	18	9.2%	19	10.0%	10	5.1%
Basic	80	41.9%	87	44.4%	101	53.2%	95	48.7%
Approaching Basic	53	27.7%	59	30.1%	45	23.7%	49	25.1%
Unsatisfactory	22	11.6%	29	14.8%	24	12.6%	39	20.1%
Total	191	100.0%	196	100.0%	190	100.0%	195	100.0%

ASSUMPTION PARISH SCHOOL BOARD

Napoleonville, Louisiana

Schedule 9

**The IOWA Tests
For the Year Ended June 30, 2005**

	Composite		
	2005	2004	2003
Test of Basic Skills (ITBS)			
Grade 3	55	56	56
Grade 5	52	48	47
Grade 6	41	37	41
Grade 7	44	48	47
Test of Educational Development (ITED)			
Grade 9	46	45	45

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same or better than 72 percent of the students in the norm group.



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To the Members of the
Assumption Parish School Board
Napoleonville, LA.

We have audited the general-purpose financial statements of the Assumption Parish School Board for the year ended June 30, 2005, and have issued our report thereon dated December 5, 2005. Professional standards suggest that we provide you with the following information related to our audit.

As stated in our engagement letter dated June 30, 2005, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As part of our audit, we considered the internal control structure of the Assumption Parish School Board. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control structure. During the course of the performance of our audit procedures and documentation of the School Board's internal controls, we noted certain immaterial items that have been communicated to management by way of discussion. The following is a description of items that were of such significance to comment in a formal management letter.

Information System Control Environment

Finding: The controls related to the computer system should be improved to ensure that information is secure, access to information is limited to personnel with a need for access, and that data can be recovered in the event of a system failure or disaster.

Recommendation: The School Board should consider implementing the following:

- a. Establish a password policy. Passwords should be required to be at least seven characters, alpha numeric, cash sensitive, and should have at least one special character. Additionally, passwords should be required to change every 60 to 90 days.
- b. Access to the server should be restricted.
- c. Backup tapes should be stored offsite.
- d. In order to aid in data recovery, a Disaster Recovery Plan should be adopted.
- e. Passwords should be required to access the Quicken accounting systems at the schools. Oversight should take place at the main office.
- f. Access to the Pentamotion system should be reviewed. Restrictions should be in place to limit access to employees in all areas that are not necessary to fulfill their assigned duties.

Equipment and Real Property Management

Finding: Federal guidelines require that a complete physical inventory of all equipment and real property with a cost of \$5,000 or more that was purchased with federal funds be taken and documented at least once every two years. There was no documentation that a physical inventory had been taken and compared to the equipment and real property listing. Additionally, an asset that had been purchased in the prior year was not included on the equipment and real property listing. This appears to have been an oversight.

Recommendation: A complete inventory of all equipment and real property with a cost of \$5,000 or more that was purchased with federal funds should be taken and compared to the equipment and real property listing. This physical inventory should be documented and any differences should be investigated and resolved.

This information is intended solely for the use of the Board Members and management of the Assumption Parish School Board and should not be used for any other purpose.

Parthivsinh H. Mehta

Donaldsonville, Louisiana

November 4, 2004

